

COUNTRY: Portugal/Spain

SUBJECT: Likely Successor to Salazar/Likely
Successor to Franco/Censorship of US
Paper in Madrid/Minister of Commerce's
Bank Gimmick/Franco and Gibraltar

DATE 18 Jun 54

PLACE ACQUIRED:

DATE ACQUIRED:

DATE OF INFO: May-Jun 54

SOURCE:

25X1A2g

25X1X6

1. 7 Jun 54: "Two top ministers think they are in line for the toga when Salazar dies: Costa Leite, minister of the presidency is the most likely. Santos Costa, minister of defense, aggressive, and according to what I heard, a wrongo, is the other. Salazar is doing a good job... according to what I hear. He tried to start an opposition party and even financed an opposition paper...a front to give the US a picture of a two-party system. The people he picked for the opposition said they thought it was a great idea, but they were going on their vacations right then. Maybe later."
2. 8 Jun 54: "Art Rosset who runs the Spanish Courier and Moroccan Courier (English language papers: Art was 17 1/2 years in the US Marine Corps and a hep guy)...is having a hell of a time running his paper. In Madrid. He would like to sell out...but has 20 grand invested. Everything has to be stamped by the Spanish censor before the printer will run the press. He ran his first edition off fine. The next one, the pressman came over and said if he wanted nice clean work in the future, it would be 2000 pesetas. Art said hell no. The next issue was nine days late and no types on the proof had been fixed. Art wouldn't pay the bill and moved to another place. He was called up by the Minister of the Press who advised him to pay the bill if he wanted to keep publishing. The Minister said: 'This is the Falangist press. I am a member of the Falange. I advise you to pay.' Art paid...."
3. 8 Jun 54: "I hear the most likely successor to Franco is his son-in-law, the Marques de Valverde. The Marques is real hot at present on a solo contract to sell Italian scooters in Spain. This is the hottest item in Europe...cheap, no gas and two tandem seats."
4. 8 Jun 54: "Art Rosset says that Arbarus, Minister of Commerce, who owns the Export Bank, has worked out a handy little gimmick to fill a bank with dollars. The money rate in Spain seems to be 39 to the dollar. The hotels give 38 to the dollar. The Tangier free rate is 43. But you go over to some firm called The World Commerce Corporation and

-2-

they give you their peseta check against Arbarus's Export Bank downstairs at 42½ per dollar. Only on personal US dollar checks. No travellers checks. No green dollars.

8. 8 Jun 54: "The Spanish think France is making all the fuss about Gibraltar because he would like to leave Gib as a legacy of his time and thinks maybe he can. The Spanish people don't give a damn about Gib. But it is a kind of emotional thing and it would be nice for their egos to have it back."

-end-

CONFIDENTIAL